
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 6.17.2009

Wall Street Journal: "Draft Details New Rules for Markets ... The Obama administration will propose on Wednesday sweeping changes to the way the U.S. government oversees financial markets and will push Congress to grant new powers to the Federal Reserve to oversee the economy, according to a near final draft of the plan viewed by the Wall Street Journal."

Wall Street Journal: "Loan Redos Get Tangled in Thicket of Red Tape ... Kellina Lawrie used to be a mortgage broker, pitching loans to borrowers who in the end couldn't afford them. Her current job is working through the wreckage."

Wall Street Journal: "Morgan Stanley to Repay TARP ... Morgan Stanley is expected to repay its government bailout money on Wednesday, according to a person familiar with the talks between the bank and the government."

Wall Street Journal: "U.K.'s 'Light Touch' About to Get Heavier ... In the latest sign of a regulatory crackdown in one of the world's leading financial centers, U.K. Treasury chief Alistair Darling is planning to warn banks that they will need to improve their governance and hold more capital against losses."

Wall Street Journal: "White House Turns Down Auto Suppliers' Aid Request ... The Obama administration has turned down a request by auto-parts suppliers for up to \$10 billion in new aid, saying the government shouldn't further interfere in the industry's contraction."

Financial Times: "New rules put Fed in hot seat ... President Barack Obama will reveal plans on Wednesday for a new system of US financial regulation that gives the Federal Reserve primary responsibility for averting future financial crises."

Financial Times, George Soros: "The three steps to financial reform ... The Obama administration is expected on Wednesday to propose a reorganisation of the way we regulate financial markets. I am not an advocate of too much regulation. Having gone too far in deregulating - which contributed to the current crisis - we must resist the temptation to go too far in the opposite direction. While markets are imperfect, regulators are even more so. Not only are they human, they are also bureaucratic and subject to political influences, therefore regulations should be kept to a minimum."

USA Today: "Hedge fund closures slowed in first quarter ... The pace of hedge fund closures slowed in the first quarter while start-ups increased, indicating the industry is beginning to recover from last year's meltdown, according to Hedge Fund Research."

Washington Post: "With BlackRock's Reach Set to Expand, CEO Defends Money Manager's Stability ... The acquisition of Barclays Global Investors by BlackRock, which has emerged from the financial crisis as a powerhouse and adviser to the U.S. government, creates a giant overseeing \$2.7 trillion in assets, making it by far the largest money manager in the world."

New York Times: "Obama Sought to Enlist a Wide Consensus on Finance Rules ... President Obama's plan to reshape financial regulation, which he will unveil on Wednesday, is the product of weeks of meetings among government officials, financial experts, lawmakers, industry executives and lobbyists, many of whom were invited to help the White House draft the proposal."

New York Times: "Greenberg Defends Sale of A.I.G. Stock in Trust ... Maurice R. Greenberg, the former chief executive

of the American International Group, testified on Tuesday that he always had the right to disband the insurance company's retirement plan for top performers and to remove its assets under certain conditions."

New York Times: "Stalking A Weaker Wall Street ... Wall Street's great investment houses have never faced a serious foreign challenge in their own backyard. But as tectonic shifts reverberate through the banking industry, their overseas rivals are edging into some of the most lucrative corners of American finance."

The Hill: "Lobbyists dig in as Obama pushes financial overhaul ... The Obama administration on Wednesday will unveil its wide-ranging proposal to remake the financial regulatory system, but lobbyists across the political spectrum were already digging in and drawing up strategies for a major overhaul battle that will last at least through the rest of the year."